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January 9, 2001 FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

ROBERT J. AAMOTH

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Ms. Magalie Roman Salas, Secretary
Federal Communications Commission
Office of the Secretary
445 Twelfth Street, SW Room TWB-204
Washington, D.C. 20554

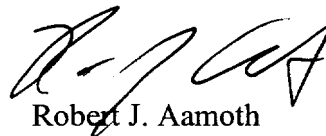
Re: *Ex Parte Presentation in CC Docket No. 96-262*

Dear Ms. Salas:

Yesterday Jim Smith, Marcy Greene, Chris Harrison and I, on behalf of Excel Communications, Inc., met with Jane Jackson, Rich Lerner and Jennifer McKee of the Competitive Pricing Division of the FCC's Common Carrier Bureau. The subject matter of the meeting was the common trunk port charge under Part 69 of the Commission's rules, as described more fully in the attached materials.

Please direct any inquiries or correspondence to the undersigned attorneys.

Sincerely,


Robert J. Aamoth

cc: Jane Jackson
Rich Lerner
Jennifer McKee

Number of Copies rec'd 0+2
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January 8, 2001

***EXCEL COMMUNICATIONS, INC.
PRESENTATION TO COMMON CARRIER BUREAU, FCC
COMMON TRUNK PORT CHARGE***

ISSUE – Is a price-cap ILEC authorized under Part 69 to impose two or more common trunk port charges on a long distance carrier when traffic is routed via tandem-switched transport in a host/remote configuration?

WHAT IS A COMMON TRUNK PORT?

- A common trunk port is a port on the trunk side of an ILEC switching office that is shared by more than one long distance carrier.
- Common trunk ports are used twice in the normal tandem-switched transport configuration: (i) the end office side of a tandem; and (ii) the tandem side of an end office. (The trunk port on the serving wire center side of the tandem is dedicated to a single carrier, and therefore is not a shared port.)
- In situations where the end office is a “host” with a subtending “remote” office, the link between the host and remote offices is a shared link, and the port at each end of the link is shared.
- Prior to the FCC’s *Access Charge Reform Order* in May, 1997, there were no separate rate elements under Part 69 for trunk ports. Interoffice port costs were recovered through:
 - Local Switching Charge
 - Tandem Switching Charge
 - Transport Interconnection Charge (TIC)

WHEN WAS THE COMMON TRUNK PORT CHARGE CREATED?

- The 1997 *Access Charge Reform Order* (at ¶ 127) created a common trunk port charge priced on a minute-of-use basis to recover the costs of common trunk ports on the tandem side of the end office.
 - FCC Rule 69.106(f)(1)(ii) requires price cap ILECs to establish an MOU-based charge for common trunk ports “on the trunk side of the local switch.”
- The FCC did not create a separate charge to recover the costs of common trunk ports on the end office side of the tandem.
 - In the NPRM on access reform for rate-of-return ILECs, the FCC recognized that the costs of common trunk ports on the end office side of the tandem are recovered through the tandem switching charge. *See Access Charge Reform for Incumbent Local Exchange Carriers Subject to Rate-of-Return Regulation*, CC Docket No. 98-77, FCC 98-101, 13 FCC Rcd 14238 (¶ 67) (1998).
- The *Access Charge Reform Order* (at ¶ 220) discussed the host/remote configuration, but did not authorize a separate charge for common trunk ports associated with the host/remote shared link.
 - The FCC directed price cap ILECs to recover the costs of the host/remote link through their tandem-switched transport rates (excluding the tandem switching charge).

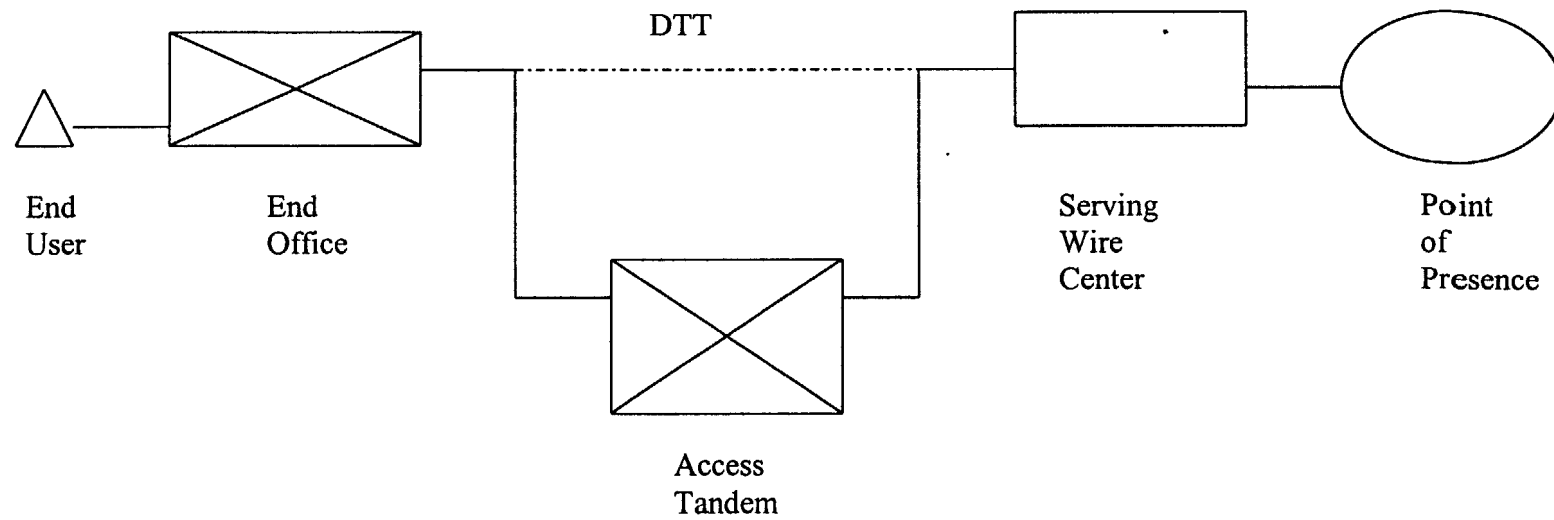
HOW HAVE ILECS IMPLEMENTED THIS NEW CHARGE?

- The ILECs responded to the *Access Charge Reform Order* by imposing one and sometimes two additional common trunk port charges in the host/remote situation.
- Some ILEC tariffs expressly call for additional common trunk port charges in the host/remote situation.
 - *E.g., Sprint Tariff F.C.C. No. 3, § 6.1 (copy attached) (2 additional common trunk port charges).*
- Some ILEC tariffs do not clearly specify how many additional trunk port charges apply in the host/remote situation, but as a matter of practice they impose one or more.
 - *E.g., BellSouth Tariff F.C.C. No. 1, Section 6.1.3(e) (copy attached) (tariff does not specify how many common trunk port charges apply in host/remote situation, but BellSouth imposes 2 additional charges as a matter of practice).*
- There is no uniformity among the ILECs, as some impose two additional charges (*e.g., Sprint and BellSouth*) in the host/remote configuration, while others do not.

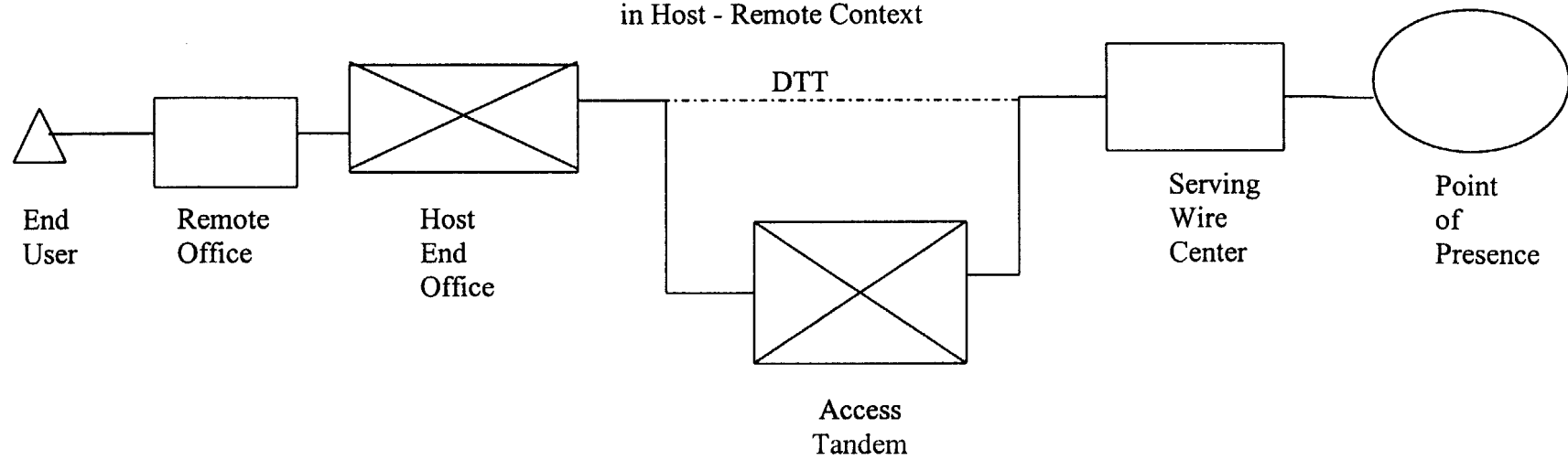
HOW MANY ADDITIONAL CHARGES SHOULD APPLY?

- There should be no additional common trunk port charges in the host/remote configuration.
- The FCC's Part 69 rules authorize only one common trunk port charge – on the tandem side of the end office switch. See FCC Rule 69.106(f)(ii).
- The FCC's Part 69 rules do not authorize any additional common trunk port charges for the host/remote situation.
 - The FCC was aware of the host/remote configuration when it adopted the *Access Charge Reform Order* (see ¶ 220), so this was not an oversight.
 - The FCC did not authorize a separate charge for common trunk ports on the end office side of the tandem switch, which shows that there is no FCC policy mandating a separate charge for common trunk ports wherever they are found.
- One or more additional charges for common trunk port costs in the host/remote configuration would permit the ILEC to engage in a double recovery, as those costs already are built into the per-minute Local Switching charge.
 - FCC Rule 36.125(a)(2) specifies that, for separations purposes, “the host/remote local switching complex is treated as one local office.”

Transport Configuration



Transport Configuration in Host - Remote Context



BELLSOUTH TELECOMMUNICATIONS, INC.
 BY: Operations Manager - Pricing
 29657, 675 W. Peachtree St., N.E.
 Atlanta, Georgia 30375
 ISSUED: NOVEMBER 26, 1997

TARIFF F.C.C. NO. 1
 11TH REVISED PAGE 6-27
 CANCELS 10TH REVISED PAGE 6-27
 EFFECTIVE: JANUARY 1, 1998

ACCESS SERVICE

6 - BellSouth SWA Service (Cont'd)

6.1 General (Cont'd)

6.1.3 Rate Categories (Cont'd)

(B) Local Switching (Cont'd)

(1) Usage Sensitive Rates (Cont'd)

- (c) LS3 provides local switching functions for BellSouth SWA LSBSA and BellSouth SWA TSBSA 1 except for BellSouth SWA LSBSA and BellSouth SWA TSBSA 1 used to terminate traffic to a BellSouth SWA WATS Service Line provided from an equal access (i.e., BellSouth SWA FGD or BellSouth SWA TSBSA 3 functionality) office.
- (d) LS4 provides local switching functions for BellSouth SWA LSBSA and BellSouth SWA TSBSA 1 used to terminate traffic to a BellSouth SWA WATS Service Line provided from an equal access end office; BellSouth SWA TSBSA 2, BellSouth SWA TSBSA 3, BellSouth SWA 500 service, BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening Service and BellSouth SWA 900 service traffic originating from or terminating to an equal access end office; and BellSouth SWA 500 service, BellSouth SWA Toll Free Dialing Ten Digit Screening Service, BellSouth SWA 900 service and BellSouth SWA TSBSA 1 traffic originating from and BellSouth SWA TSBSA 3 traffic terminating to end offices not equipped with equal access capabilities when the customer elects to combine such traffic with its access tandem routed BellSouth SWA TSBSA 3 traffic. Where end offices are appropriately equipped, international dialing may also be provided as a capability of LS4, i.e., the capability of switching international calls with service prefix and address codes having more digits than can be switched through a standard BellSouth SWA TSBSA end office.

The application of these rates is set forth in 6.8.2(A) following.

- (e) The Common Trunk Port service provides for termination of BellSouth SWA Common Transport trunk facilities at end office switches. The charge applies per MOU per trunk termination at end offices including host and remote end office switches. The charge also applies at the BellSouth SWA FGA and BellSouth SWA LSBSA dial tone offices and terminating offices in those cases where terminating BellSouth SWA FGA and BellSouth SWA LSBSA traffic terminates at an office other than the BellSouth SWA FGA or BellSouth SWA LSBSA dial tone office. Rates are set forth in 6.8.2(A)(2) following.

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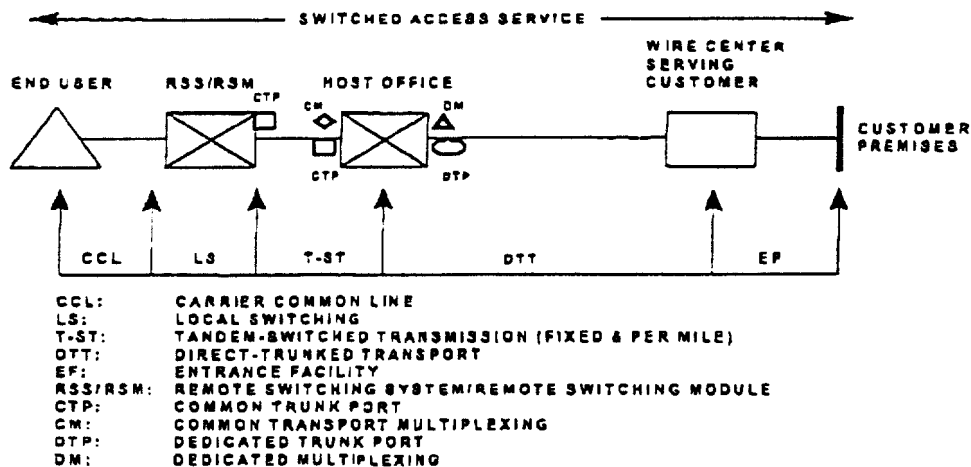
Certain material previously appearing on this page now appears on Original Page 6-27.0.1.

- (x) Issued on not less than 36 days' notice under authority of and in compliance with FCC Orders DA 97-2358 and FCC 97-158, as amended.

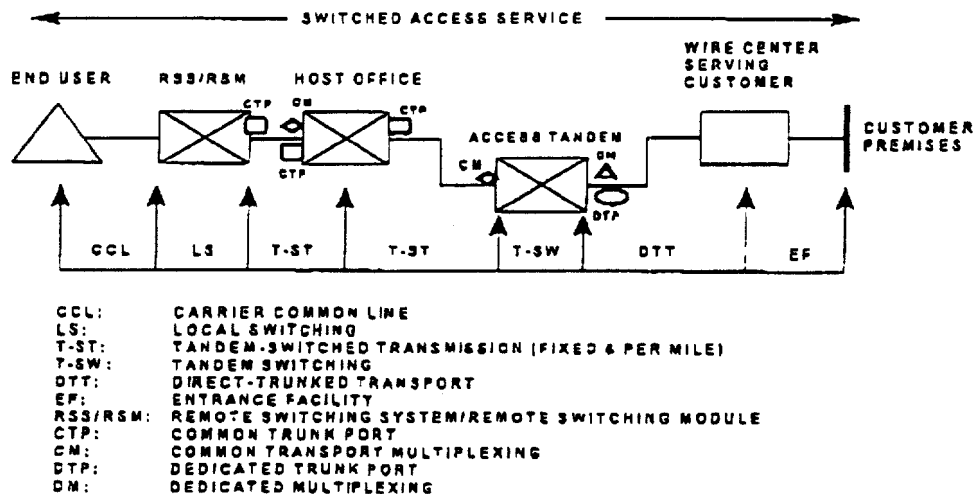
ACCESS SERVICE

6. Switched Access Service (Cont'd)6.1 General (Cont'd)6.1.2 Rate Categories (Cont'd)

(D) DIRECT-TRUNKED HOST/REMOTE ARRANGEMENTS



(E) TANDEM-SWITCHED HOST/REMOTE ARRANGEMENTS



ISSUE DATE:
November 15, 2000

Issued Under Transmittal No. 130
 Vice President-Regulatory Affairs
 6360 Sprint Parkway
 Overland Park, Kansas 66251

EFFECTIVE DATE:
November 16, 2000